

THE NOTTOWAY COUNTY PUBLIC LIBRARY
414 TYLER STREET CREWE, VA 23930

FEBRUARY 13, 2014

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FCC Mail Room

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of a Request for Review of a Decision of the Universal Service Administration Corp. for Nottoway County Public Library of December 18, 2013.

Pertaining to the Schools and Libraries Universal Service Support Mechanism Docket No. 02-6

Request for Review

In accordance with sections 54.719 through 54.721 of the Commission's rules, Nottoway County Library, Virginia (Nottoway) requests Federal Communications Commission (Commission) review of a decision of the Schools and Libraries Division of the Universal Service Administrative Company (Administrator). Based on the facts presented Nottoway asks that the Administrator decision be overturned.

Form 471 Application Number: 879499

FRN: 2436953, 2436975

Billed Entity Number: 16022117

FCC Registration Number:

Background

Nottoway County Library, located in rural central Virginia, serves a community struggling with high unemployment and severely limited resources. Nottoway's geographic isolation makes broadband connectivity more costly than urban areas but also more critical to the community, as there are very few alternative sources of public Internet in the county.

Nottoway applied for E-Rate funding at a discount rate based on Nottoway schools National School Lunch Program participation reported on the Virginia Department of Education Web Site. Nottoway library and schools were funded on the same day with the library funded at 80 percent (after appeal) and the schools funded at 90 percent. Nottoway schools utilized the student survey method which increased the discount for schools to 90 percent. Over 75 percent of students were eligible for the National School Lunch Program as a result of the survey. As such, the library was entitled to a 90 percent discount.

Discussion

According to E-Rate regulations, library discounts are calculated using the aggregate school lunch eligibility for the local school district.¹ Libraries discounts are derived solely from the public school district and have no mechanism to increase or alter the library discount rate. Generally, library discounts are calculated from school lunch numbers reported to the state Department of Education.

Schools may utilize alternative discount methods to calculate and increase E-Rate discounts. Alternative discount calculations are not reported to the state Department of Education and receive additional scrutiny during review. Schools rarely share alternative discount calculations with libraries and the Administrator does not have a mechanism to compare school discount calculations with associated library discounts. Libraries often receive lower E-Rate discounts than they should because of unreported and unrecognized alternative discount calculations. It would be unreasonable to expect a library to be aware the local school district used school lunch figures different from those reported to the state.

¹ Divide the number of students eligible for NSLP in the public school district in which the library outlet/branch is located by the total number of students in that public school district. Use this number and the urban or rural status of the library outlet/branch to look up the discount on the Discount Matrix. – Schools and Libraries Web Site "Calculating discounts"

In this case Nottoway schools utilized a controversial survey method for calculating discounts. This particular survey method from a single consultant has come under scrutiny by the Administrator and the Commission because of its unusual results. The Administrator and Commission have been made aware of applicant concerns regarding this method.²

Because of uncertainty of the survey method, even if Nottoway was aware of the school district's higher discount, it would not be prudent – or even acceptable – for the library to request an unverified discount.

With the Funding Commitment Letter dated October 16, 2013, the Administrator approved the 90 percent application for Nottoway Schools and thus confirmed the eligible student population for the school division. Because the Administrator approval occurred on the same day the Nottoway Library application was approved, it was not possible for the library to request a discount change prior to the funding commitment date. NSLP eligibility for the schools prior to a funding commitment was speculation, as the percentage of eligible students did not match the state report. The eligibility numbers became fact only after the Administrator reviewed and confirmed them through a Funding Commitment Letter.

We ask that the Nottoway Library discount be increased to 90 percent in accordance with Federal Communication Commission regulation.

Respectfully,



Charles J. Koutnik

Acting Library Administrator

² North Carolina E-Rate coordinators notified the Administrator Director of Enforcement in September 2010 with grave concerns about this survey method.